



# FIONA MA, CPA

District 2 | California State Board of Equalization

## Message from Board Member Ma:

*May is a time for reflection and appreciation – it’s Asian Pacific Islander Heritage Month and Military Appreciation Month. During Military Appreciation Month, let’s all take a moment to remember the bravery of our service members and their families. You can learn about programs and services offered to veterans and military families on page 2 and about an important Memorial Day remembrance event on page 5. There are multiple bills moving through the legislature affecting veterans and military families and you can read about them “Under the Dome” on page 3. “Dear Kathryn” on page 2 helps you understand how property taxes are assessed on manufactured homes and you can learn about a Parent-Child Property Tax Reappraisal Exclusion on page 6. I hope everyone has a Happy Mother’s Day!*

*As always, if I can be of service, please call me or members of my team at (415) 557-3000 or send me an email at [Fiona.Ma@boe.ca.gov](mailto:Fiona.Ma@boe.ca.gov). We look forward to hearing from you.*

*In Peace and Friendship,*

Fiona Ma, CPA

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## DEAR KATHRYN.....

*Dear Kathryn is a section of the newsletter that addresses real taxpayer questions.*



### Dear Kathryn:

I'm going to purchase a manufactured home. Will I be required to pay property taxes on it?

- Daniel

### Dear Daniel:

Manufactured homes are subject to local property taxes. The county assessor determines the base year value of a manufactured home, which is used to establish your property taxes. Depending upon where your manufactured home is located, there may be other taxes or fees necessary to pay off any voter-approved general obligation bonds or other indebtedness which could result in a slightly higher overall property tax rate. You should [contact your county auditor-controller's office](#) to determine if any of these other taxes may apply to your manufactured home. Please keep in mind that manufactured homes are also subject to sales tax at the time of sale. Vice Chair of the State Board of Equalization Fiona Ma, CPA is sponsoring [Senate Bill 1130 \(Leyva\)](#), which would make low-income disabled persons and senior manufactured home owners eligible participants of the State Property Tax Postponement Program. This bill is traveling through the legislative process.

--KATHRYN

Send questions to [Fiona.Ma@boe.ca.gov](mailto:Fiona.Ma@boe.ca.gov) with the subject title "Dear Kathryn."

## Veteran Services and Benefits

California is home to nearly 2 million veterans. I'd like to express my sincere appreciation and gratitude to our veterans for their dedicated service. There are numerous state and federal benefits available for veterans and their families, including healthcare, housing, education, and employment benefits. To find out more about the benefits veterans are entitled to receive, please visit the [California Department of Veterans Affairs](#) (CalVet) website. CalVet also offers free counseling and referral services to individuals, providing veterans with accurate and up-to-date information on benefits and entitlements. Veterans may visit their local County Veteran Service Officers (CVSO) location to receive these counseling and referral services. A complete listing of CVSO locations is available on the [CalVet](#) website. You may also [search for a service provider by location](#) or call 1-844-SERV-VET.



The 2015 Youth Equalizer Award presented to Lt. Colonel Bullard in recognition of his decades of service.



## **UNDER THE DOME: *Updates on Legislation***

*I've always fought to make sure laws are fair and equitable for all. To get the latest updates on legislation I am active on, please visit [www.boe.ca.gov/ma/legislation/](http://www.boe.ca.gov/ma/legislation/).*

This year, Vice Chair of the Board of Equalization Fiona Ma, CPA is supporting a number of bills to assist our military families. Senate Bill 1080 (Newman) eliminates the costly and burdensome fees for non-resident active duty military, recently transitioned veterans, and their families who simply want to earn additional income as rideshare drivers by allowing for the use of a valid out-of-state driver's license. It ensures our active duty military and their families who temporarily reside in California have the same access to employment opportunities as every other California resident.

[Senate Bill 1082 \(Bradford\)](#) would give the Franchise Tax Board (FTB) the ability to forgive penalties for late filings or payment if a taxpayer has a proven history of paying their taxes on time. With military families sometimes having to move quickly, it could be easy to accidentally miss a payment.

[Assembly Constitutional Amendment \(ACA\) 12](#) & [Assembly Bill 1596 \(Gloria\)](#) will afford families with disabled children the opportunity to relocate to homes that are better suited to their child's disability. ACA 12 will give the voters the option to authorize the Legislature to extend an existing, once in a lifetime opportunity to transfer "base year value" for homeowners with severely disabled children who need to purchase a new home. If the voters approve ACA 12, AB 1596 would then authorize the transfer of the base year value of the new home as described. Current law allows for a one-time transfer of the base year value of their personal residence to a replacement property; however, this is only for persons over the age of 55 and those who are permanently disabled. The narrow scope of this concept made sense until a disabled veteran returned home from war – an adult child living with his parents, but could no longer live in that house because his disability required a different home set-up. Since the disabled veteran was not the "owner" of the home, his family could not utilize the significant property tax relief in place to help those that need it most, like this veteran who sacrificed his health for our country. This family had to endure a convoluted, costly legal process to get the help they needed, and a more direct and available option needs to be established to assist families who are caring for children who are permanently, severely disabled.

[Assembly Bill 3128 \(Chen\)](#) would allow a 50% credit of the amount paid or incurred during the taxable year by a qualified disabled veteran for the ownership and maintenance of a service dog, not to exceed \$1,500 for a taxable year.

## Traveling Around District 2



Did you know BOE's District 2 has 23 counties down the coast from the Oregon border to Santa Barbara?

This month's District 2 spotlight is on Solano County. Situated midway between San Francisco and Sacramento, Solano County is home to rolling hillsides, waterfronts, and fertile farmland. Residents and visitors can enjoy outdoor recreational activities like fishing, boating, skiing, hiking and biking. The boundaries of Solano County were set on February 18, 1850 by the first elected legislature of the territory of California, making Solano County one of the original 27 counties. The City of Fairfield is the County Seat. Two of the county's seven cities, Benicia and Vallejo, served as the State's Capital in the early 1850s. For more information: [www.co.solano.ca.us/](http://www.co.solano.ca.us/).

The BOE periodically reviews the practices and procedures (surveys) of specified county assessors' offices. You can read Solano County's Assessment Practices Survey online at [www.boe.ca.gov/proptaxes/pdf/48apsr0614.pdf](http://www.boe.ca.gov/proptaxes/pdf/48apsr0614.pdf).

### NONPROFIT SPOTLIGHT: AMAZING SURF ADVENTURES

Amazing Surf Adventures (ASA) is a nonprofit organization founded in 2008 by Van Curaza to help veterans overcome personal challenges and trauma through the healing power of the ocean and surfing. A week-long program called "Operation Surf" puts wounded veterans and active-duty military heroes in adaptive surfing classes taught by world-class instructors in order to overcome perceived limitations connected to physical and psychological disabilities. Program participants are provided food, hotel accommodations, travel assistance, clinical and medical support, and any additional resources they might need at no cost. A second program, "Operation Surf 4 Veterans," is a 6-month locally-focused program that provides wounded veterans in San Luis Obispo County with a new wetsuit, surfboard, and a community of support at no cost. If you'd like to get involved, volunteer, or learn more about the organization's upcoming Operation Surf program offerings in your area, please visit their website at [amazingsurfadventures.org/](http://amazingsurfadventures.org/)

### Questions About the Probate Process?

The California Probate Referees Association has a procedures guide which has step-by-step instructions for preparing an inventory and appraisal. There is also a Probate Referee Directory to help you find all the members appointed to your county including their contact and address information: [www.probatereferrees.net/](http://www.probatereferrees.net/).



# IN OTHER NEWS...

## Military Appreciation Month

Congress designated May as [National Military Appreciation Month in 1999](#) to remember the sacrifices and successes made by our service members. California is home to approximately two million Veterans and has many military installations protecting our country. I have always been a strong supporter of our military families. While in the assembly, I sponsored Assembly Bill 199 which encouraged social science instruction in grades 7-12 to include the significant role of Filipinos in World War II. I also coauthored Assembly Concurrent Resolution (ACR) 159 that asks the University of California system, the California State University system, and the California Community Colleges to give returning veterans the appropriate credit for courses and experience earned while in service. I spoke at the 5<sup>th</sup> annual Tuskegee Airman Sacramento Chapter Scholarship Dinner and every year I participate in Fleet Week. I hosted a number of small business seminars for veterans to help them start businesses (California and Texas led all states in the number of veteran-owned firms according to [U.S. Census data](#)) and enable them to ask questions about programs and services. I honored Bob Handy, a retired Navy serviceman with 22 years of honorable service with a [Veterans Equalizer Award](#) and presented a [JROTC Youth Equalizer Award](#) to Lieutenant Colonel Doug Bullard, the chief instructor at the Lowell High School JROTC Program since 1997. Last year, I visited the [U.S.S. Hornet](#) in Alameda, a National and State Historic Landmark to understand the legacy this carrier played in our history.



Learned about the role of the USS Hornet during the Apollo space missions.

During Military Appreciation Month, let's all take a moment to remember the many sacrifices of our service members and their families. One nonprofit, the Truman National Security Project, is remembering veterans through a sunrise ceremony while veterans tell their stories of those lost while defending our nation. The Rose Ceremony began in San Diego in 2015 with 20 volunteers distributing 1,000 roses at sunrise while veterans and volunteers shared personal stories of loved ones lost. The ceremony has grown each year and in 2018, the hope is the nonprofit will be able to place more than 85,000 roses for every grave at Fort Rosecrans. At 5:30 am on Memorial Day (May 28<sup>th</sup>), volunteers will place roses at Fort Rosecrans National Cemetery in San Diego, CA while reflecting on the sacrifices of those who have given their all for our country. The Truman National Security Project has chapters throughout California – Los Angeles, San Diego, and San Francisco. To learn more, visit [trumanproject.org/home/](http://trumanproject.org/home/).

## May the Fourth Be With You

As you celebrate Star Wars Day on May 4th with a movie marathon or costume party, you may also want to look to see if your film business qualifies for film/television tax credits.

The California Film Commission (CFC), of which I was a member for a number of years, administers a program that provides tax credits based on certain expenditures for qualified productions that are produced in California. You can find more information at [www.boe.ca.gov/industry/film\\_tv\\_tax\\_credit.htm](http://www.boe.ca.gov/industry/film_tv_tax_credit.htm). When I was a County Supervisor in San Francisco, we had a number of productions shoot in the City, and each one brought energy, excitement and economic activity to the neighborhoods where they filmed. In fact, I earned my SAG (now SAG-AFTRA) card by appearing as an extra in three different productions that were filmed in San Francisco.

I saw first-hand the kinds of well-paying, middle class jobs that film production creates. I supported San Francisco's Film Tax Credit, and I was a coauthor of the original Film and TV Tax Credit when I was in the Assembly. Approximately half of the nation's film industry jobs are located in California — but we are under enormous pressure from places like Georgia, which offer lucrative incentives for film



productions. One of the best tools we have for keeping production in California is the Film and TV Tax Credit Program 2.0, administered by the California Film Commission, of which I was a member. These tax credits are a helpful resource for production companies so we can continue to bring jobs and revenue to California. The next application period for TV projects (the first for fiscal year-four of Program 2.0) will be held May 21-25, 2018.

## Parent-Child Property Tax Reappraisal Exclusion – Proposition 58

Generally, when you buy a new home in California your new property is normally appraised at its full market value at the time it is purchased. Because property generally appreciates over time, the base value of a newly purchased home will increase; therefore, property taxes will increase. But did you know that if you transfer real property to one of your children, it may be excluded from reappraisal for property tax purposes? That means that your child's property taxes will be calculated on the established taxable value (up to \$1,000,000), instead of the current market value when the property is acquired. This prevents an increase in property taxes, thus saving your child a significant amount of money each year. This exclusion also applies to transfers of property from children to parents. While I was in the legislature in 2007, I successfully passed legislation ([AB 402](#)) that included foster children within the parent-to-child property tax change-of-ownership exemption. You must file a claim with your county assessor to determine eligibility for this exclusion. This reappraisal exclusion is governed by Proposition 58 (Revenue and Taxation Code section 63.1). More information regarding Proposition 58 can be found at [www.boe.ca.gov/proptaxes/faqs/propositions58.htm](http://www.boe.ca.gov/proptaxes/faqs/propositions58.htm). Also, a complete list of all qualifications and claim forms are available from your county assessor.

## Asian American and Pacific Islander Heritage Month

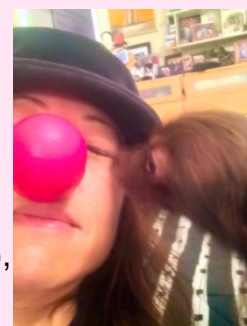
Did you know May was chosen as [Asian American and Pacific Islander Heritage Month](#) because it coincides with two important milestones in Asian/Pacific American history: the arrival in the United States of the first Japanese immigrants (May 7, 1843) and the anniversary of the completion of the transcontinental railroad (of which many workers were Chinese immigrants)? According to Asian Pacific American Institute for Congressional Studies (APAICS), there are 14 California Asian American and Pacific Islanders serving in Congress, 11 in the Legislature, 164 serving at the local level, and three in elected constitutional offices. I am proud to have served as the first Asian-American woman Assembly Speaker pro Tempore in California history and as the only woman Asian-American CPA to serve on the BOE.



According to the U.S. Census data, California has the largest Asian American and Pacific Islander population with more than six million people identifying as Asian American or Pacific Islander. Asian Americans continue to be strongly integrated in California culture and account for about [one-third of the nation's Asian American and Pacific Islander community](#). The Asian American and Pacific Islander group is diverse – consisting of heritage from an array of backgrounds: Chinese, Japanese, Vietnamese, Korean, Filipino, Indian, and more. It has many languages, cultures, and a wealth of history. There were 1.9 million Asian-owned firms nationally in 2012, up from 1.5 million or 23.8 percent from 2007. Asian-owned firms comprised 6.9 percent of all firms in 2012. A recent report by the [Asian Real Estate Association of America](#) finds that 55.6 percent of Asian Americans and Pacific Islanders own homes. Happy Asian American Heritage Month!

## Red Nose Day – May 24, 2018

Red Nose Day helps to raise awareness of child poverty. According to the California Association of Food Banks, 1 in 5 children in California faces hunger daily. One program to help provide financing to food deserts (communities without access to affordable, quality, and nutritious foods) is the California Healthy Food Financing Initiative Council (CHFFIC), a public-private partnership program created to increase access to healthy foods in underserved, urban, and rural communities and inspire innovation in healthy food retailing. More about red nose day: [rednoseday.org/](http://rednoseday.org/). Find out more about CHFFIC at [www.treasurer.ca.gov/chffic/index.asp](http://www.treasurer.ca.gov/chffic/index.asp).



2017 Red Nose Day helping to end child poverty.



## Fuel Fact

**April 16, 2018** – The average price in California for regular gasoline increased 3.1-cents from the previous week. The average statewide price for regular was \$3.553. The national average for self-serve regular is at \$2.747, up 5.3 cents from the previous week. This is 80.6 cents lower than the price of regular in California. For more information on gas prices, visit [www.energy.ca.gov/almanac/petroleum\\_data/#fuel\\_price\\_data](http://www.energy.ca.gov/almanac/petroleum_data/#fuel_price_data).



## Did You Know

According to [History.com](http://History.com), Cinco de Mayo—or the fifth of May—is a holiday that celebrates the date of the Mexican army's 1862 victory over France at the Battle of Puebla during the Franco-Mexican War. A relatively minor holiday in Mexico, in the United States Cinco de Mayo has evolved into a commemoration of Mexican culture and heritage, particularly in areas with large Mexican-American populations. Many people outside Mexico mistakenly believe that Cinco de Mayo is a celebration of Mexican independence. Independence Day in Mexico (Día de la Independencia) is commemorated on September 16.



## Happy Mother's Day!

My mother continues to be an inspiration to me. I am grateful I am able to see her nearly every day since my parents and I live together. My parents were born in China and left in 1949, before the Communist Party took control of the country. My mother was the only child of a Presbyterian Minister. She immigrated to Hong Kong as a teenager, met my father in Canada, and married in New York City. She was a public high school art teacher. We were a typical first generation



immigrant America family, with my parents working hard to achieve their dream of a better life for their children. With a small loan from my maternal grandparents and my parents' savings, we were able to achieve the American Dream and buy a home in Great Neck, Long Island. Growing up, my mom took me to piano and swim lessons, helped me as a Brownie while I was in the Girl Scouts, assisted with my art projects, and always supported me. For her, and all Mothers out there, I wish you a Happy Mother's Day!

## New Sales and Use Tax Rates – April 1, 2018

The California Department of Tax and Fee Administration reminds Californians new tax rates took effect in some areas of California: [www.cdtfa.ca.gov/news/18-13.htm](http://www.cdtfa.ca.gov/news/18-13.htm).



MaSquad on the Road



Donating clothes to WEAVE (Women Escaping a Violent Environment) to help domestic violence survivors.



Standing with the elected women of the California Assembly as part of the National Foundation of Women Legislators' Celebrate Women in Public Office Day.



KTSF 26 interview about tax tips and tax legislation.



In San Diego to congratulate the new Senate President pro Tempore Toni Atkins.



My Sin by Silence legislation (AB 593 and AB 1593) is helping previously incarcerated domestic violence victims get a second chance at life. We recently visited with Brenda Clubine, the inspiration for the bills. We are in phase two and working closely with Sunny Schwartz, Founder of the San Francisco Sheriff's Departments Resolve to Stop the Violence Program and Five Keys Charter School to create a transitional housing program for these previously incarcerated women to help them effectively transition back into communities.



Checked the first committee off our list for SB 930. Thank you to Senator Hertzberg for spearheading this unique and progressive approach to providing a safe, transparent way to bank the multi-billion dollar cannabis industry.

## Thank You for Your Support

If you have a question, my office can help provide you with assistance and resources. Email me directly at [fiona.ma@boe.ca.gov](mailto:fiona.ma@boe.ca.gov) or call my offices in Sacramento at 916-445-4081 or in San Francisco at 415-557-3000.

In addition, if you want to view some of the Board decisions or watch us live at the monthly Board hearings, please access [www.boe.ca.gov](http://www.boe.ca.gov) and choose the webcast option under Board Hearings.

Representing the interests of taxpayers in a district of nearly ten million Californians in 23 counties, I am committed to working to ensure the agency treats all taxpayers with respect and dignity. As your BOE representative, I will continue to ensure that taxpayers are being heard in Sacramento. It is truly an honor to serve you.

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